

Service Date: December 13, 1993

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

IN THE MATTER of the Application	)	
of the MONTANA POWER COMPANY)	)	DOCKET NO. 93.11.61
For Authority to Make Short-Term	)	
Borrowings in Calendar 1994	)	DEFAULT ORDER NO. 5768

1. On November 23, 1993, The Montana Power Company (MPC or Company), a corporation organized and existing under the laws of the State of Montana, filed with the Montana Public Service Commission (Commission) its application pursuant to Montana Code Annotated (MCA) ?? 69-3-501 through-507 (1993), seeking an order authorizing MPC to issue, assume or guarantee short-term securities (in the form of a revolving credit agreement and term loan agreement, copies of which have been provided the Commission, promissory notes to banks, commercial paper drafts, banker acceptance drafts or by such other means as may be deemed appropriate) in a principal amount, including short-term notes now outstanding, not to exceed \$150,000,000 outstanding at any one time during the period from January 1, 1994, through and including December 31, 1994.

2. The application is supported by exhibits and data in accordance with Commission practice and rules and regulations.

3. The application states that MPC is a public utility as defined in MCA ? 69-3-101, in that it furnishes electric and natural gas service in the State of Montana; that MPC's principal executive office is at 40 East Broadway, Butte, Montana; and that MPC is duly qualified to do business in the States of Montana, Wyoming and Idaho. For detailed information with respect to

the general character of MPC's business and the territory served by it, reference is made to the application.

### FINDINGS

1. MPC is a corporation organized and existing under and by virtue of the laws of the State of Montana and is qualified to transact business in the State of Montana.
2. MPC is a public utility as defined in MCA ? 69-3-301 and is engaged in furnishing electric and natural gas service in the State of Montana.
3. The Commission has jurisdiction over the subject matter of the application pursuant to MCA ?? 69-3-501 through -507.
4. The application states that MPC intends to issue, assume or guarantee short-term securities (in the form of a revolving credit agreement and term loan agreement, promissory notes to banks, commercial paper drafts, banker acceptance drafts or by such other means as may be deemed appropriate) in a principal amount, including short-term notes now outstanding, not to exceed \$150,000,000 outstanding at any one time during the period from January 1, 1994, through and including December 31, 1994. MPC plans to retire short-term debt by using internally-generated funds or issuing long-term securities, the type, amount, timing and method of sale of which has not yet been fully determined.
5. Public notice of this application was given by its inclusion on the Commission's agenda for November 29th, 1993.
6. MPC has furnished complete financial data with its application in accordance with developed practice of the Commission. The application sets forth a certified copy of the resolutions of the Board of Directors of MPC pertaining hereto, which were adopted on October

26, 1993.

CONCLUSION OF LAW

The transactions proposed by the application, as hereinafter authorized, will be for a lawful purpose and are consistent with the public interest; and are necessary or appropriate for and consistent with the proper performance by MPC of service as public utility.

ORDER

1. The application of The Montana Power Company for authority to make short-term borrowings in an amount which, together with the short-term borrowings now outstanding, will not, in an aggregate principal amount, exceed \$150,000,000 outstanding at any one time during the period from January 1, 1994, through and including December 31, 1994, and in the form of a revolving credit agreement and term loan agreement, promissory notes to banks, commercial paper drafts, banker acceptance drafts or by such other borrowing arrangements, which shall be on the most favorable terms The Montana Power Company can negotiate depending upon the varying borrowing conditions, is approved.

2. In accordance with MCA ? 69-3-507, nothing in this Order, nor any other act or deed done or performed in connection therewith, shall be construed to obligate the State of Montana to pay or guarantee, in any manner whatsoever, any security authorized, issued, assumed or guaranteed under the provisions of MCA ?? 69-3-501 through -507.

3. Issuance of this Order does not mean acceptance of MPC's exhibits or other material accompanying the application for any purpose other than the issuance of this Order.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

---

BOB ANDERSON, Chairman

---

BOB ROWE, Vice Chairman

---

DAVE FISHER, Commissioner

---

NANCY McCAFFREE, Commissioner

---

DANNY OBERG, Commissioner

ATTEST:

Kathlene M. Anderson  
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.